

BUILDING A FACTORY FOR PRODUCTION OF SUGAR
“SECER +”

Name of the project:	Setting up a sugar-production facility
Location:	Kovin (50km east from Belgrade)
Type of project:	Existing production modernization and expansion
Primary product(s):	Sugar
Short description of the proposed investment project:	The replacement of the old equipment – reparation and an additional program of sugar production
Preparation status – available documentation:	Business Plan
Total value of the project:	€ 8,500,000
How much of a total value is expected from a foreign partner:	€ 5,000,000
Time period for the realization of the proposed project:	2 years
Time period for exploitation of the proposed project:	10 years
Pay-back time period:	7 years

Short Project Description:

The company “SECER +” has its business offices in Belgrade, but has developed a project for the improvement of the existing sugar production in Kovin, with 100% of the raw materials for production being domestically sourced. The company is privately owned and currently gives employment to 284 workers, while at least 15 new employees would be hired in case of the realization of the investment project. It is important to mention that the company has already invested € 3,500,000 into technical preparations of the factory (land, facility, infrastructure and equipment), while the remaining € 5,000,000 of working capital would preferably be sourced through a joint venture project with a foreign partner.

The basis for such project proposal is a market study and experience. It is a fact that only one half of the market demand for sugar in the Balkans is satisfied by the regional production – the other half is being imported from other countries, so this project would partly represent imports substitution. Furthermore, the company “TODEX” has executed a study on the rehabilitation of the sugar industry in Serbia with the assistance of the institute “ERSUC” from Paris. The essence of the suggested investment project would be to stabilize sugar production in this area wealthy with raw materials and with easy accessibility to the transportation systems (highway, railway, river), and to the market.